

# *Chapter III*

## *Economic Snapshot*

### 3.1 Overview

This updated section highlights key economic and demographic conditions and trends in York County that impact business development and attraction in the County. The snapshot includes summary statistics, with the most current data available, for surrounding communities to offer insight into how York County compares to its immediate neighbors, and to document the regional context that impacts the County.

A strong, future-oriented Plan begins with an assessment of current conditions. This evaluation of existing conditions focuses on factors known to influence industry growth potential, and is an important first step in order to project future market demand for economic activities.

### 3.2 Population

York County has experienced strong growth of population in recent years, and this trend is only expected to accelerate over the next ten (10) years.

- YCPC projections indicate York County could add approximately 36,000 new residents from 2008 to 2020, if past trends in household growth were to continue (Exhibit 3-2).
- Of course, the realization of these new residents in large part depends on the provision of housing for the population, so the exact number of new residents will depend on the availability of housing.
- This population growth can help York County to attract employers, as new residents expand the labor force and offer disposable income to fuel retail and service sector growth.

York County has been regionally consistent in residential growth compared to many of its neighboring counties, as well as Pennsylvania and Maryland as a whole (Exhibit 3-1).

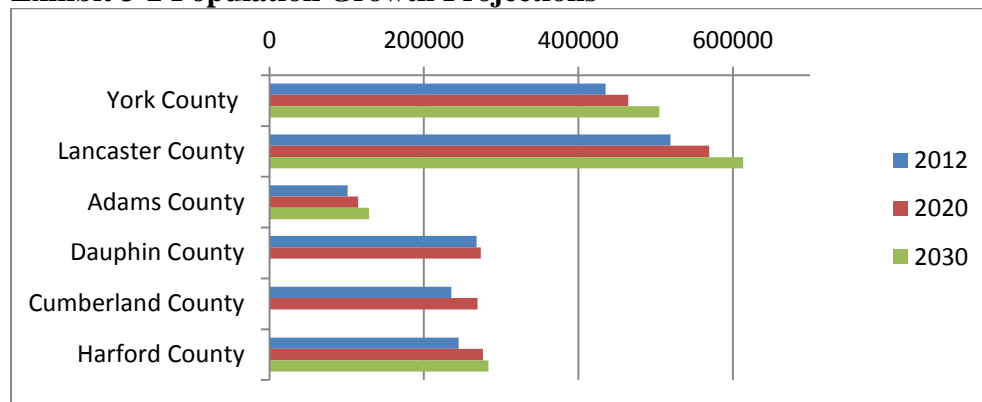
- York County added residents at a pace of 2.3% between 2008 and 2012, compared to 1.0% in Pennsylvania and 11.1% in Maryland.
- The neighboring counties of Lancaster, Dauphin, Cumberland, and Baltimore all experienced rates of growth similar to York County.
- The semi-consistent growth of residents in each County can also explain the similar amount of permits issued for new construction.

- In 2012, the amount of residential building permits issued for York County was very similar to Cumberland, Harford, and Baltimore Counties. There was a difference of less than 40 permits.
- From 2006 to 2012, all regional counties saw a decrease in residential permits issued as a result of the nationwide “housing crisis.” In fact, York County went from a high of 2,552 permits in 2006 to a low of 593 permits issued in 2011. All regional counties are starting to show recovery and all experienced an increase in 2012 (Exhibit 3-3a).
- From 2002 to 2007, more residential building permits were issued in York County than in surrounding counties. The same holds true for permits issued from 2006 to 2012, with York County issuing 9,130 residential building permits compared to 8,254 for Lancaster County (Exhibit 3-3).

<b>Exhibit 3-1: Population in Comparison</b>					
Counties	2008	2012	2008-2012 % Change	2020	2030
<b>York County, PA</b>	428,020	437,846	2.3%	464,424	504,958
<b>Lancaster County, PA</b>	505,665	526,823	4.2%	569,343	613,208
<b>Adams County, PA</b>	103,506	101,482	- 2.0%	114,876	128,893
<b>Dauphin County, PA</b>	258,537	269,665	4.3%	273,483	N/A
<b>Cumberland County, PA</b>	231,650	238,614	3.0%	269,373	N/A
<b>Baltimore County, MD</b>	797,284	817,455	2.5%	N/A	N/A
<b>Harford County, MD</b>	249,753	248,622	- 0.5%	276,500	283,600
<b>States</b>					
<b>Pennsylvania</b>	12,631,267	12,763,536	1.0%	12,787,354	12,768,184
<b>Maryland</b>	5,296,486	5,884,563	11.1%	6,497,626	7,022,251

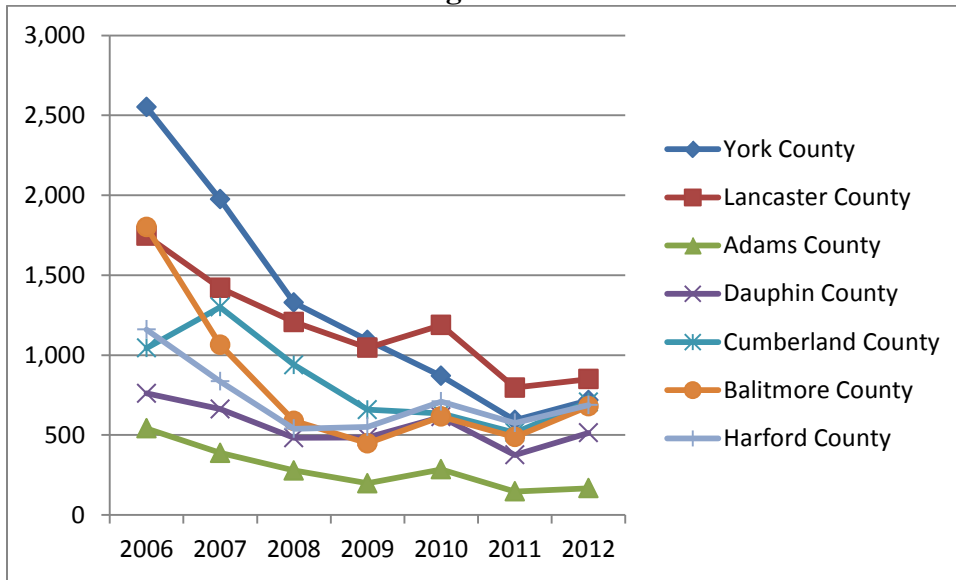
Source: County Planning Commission Websites and Census Data

### Exhibit 3-2 Population Growth Projections



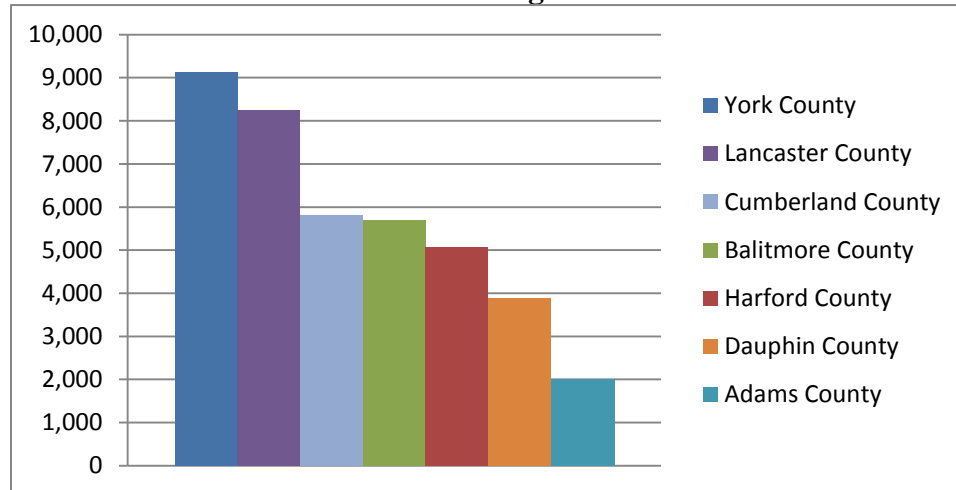
Source: Planning Commission Websites, U.S. Census Data

### Exhibit 3-3a Residential Building Permits 2006-2012



Source: U.S. Census Bureau Data

### Exhibit 3-3b Total Residential Building Permits 2006-2012



Source: U.S. Census Bureau Data

As Exhibits 3-3a and 3-3b show, York County was a strong leader in the number of residential building permits issued in 2006 and 2007 and remained the leader in regional residential growth overall from 2006 through 2012.

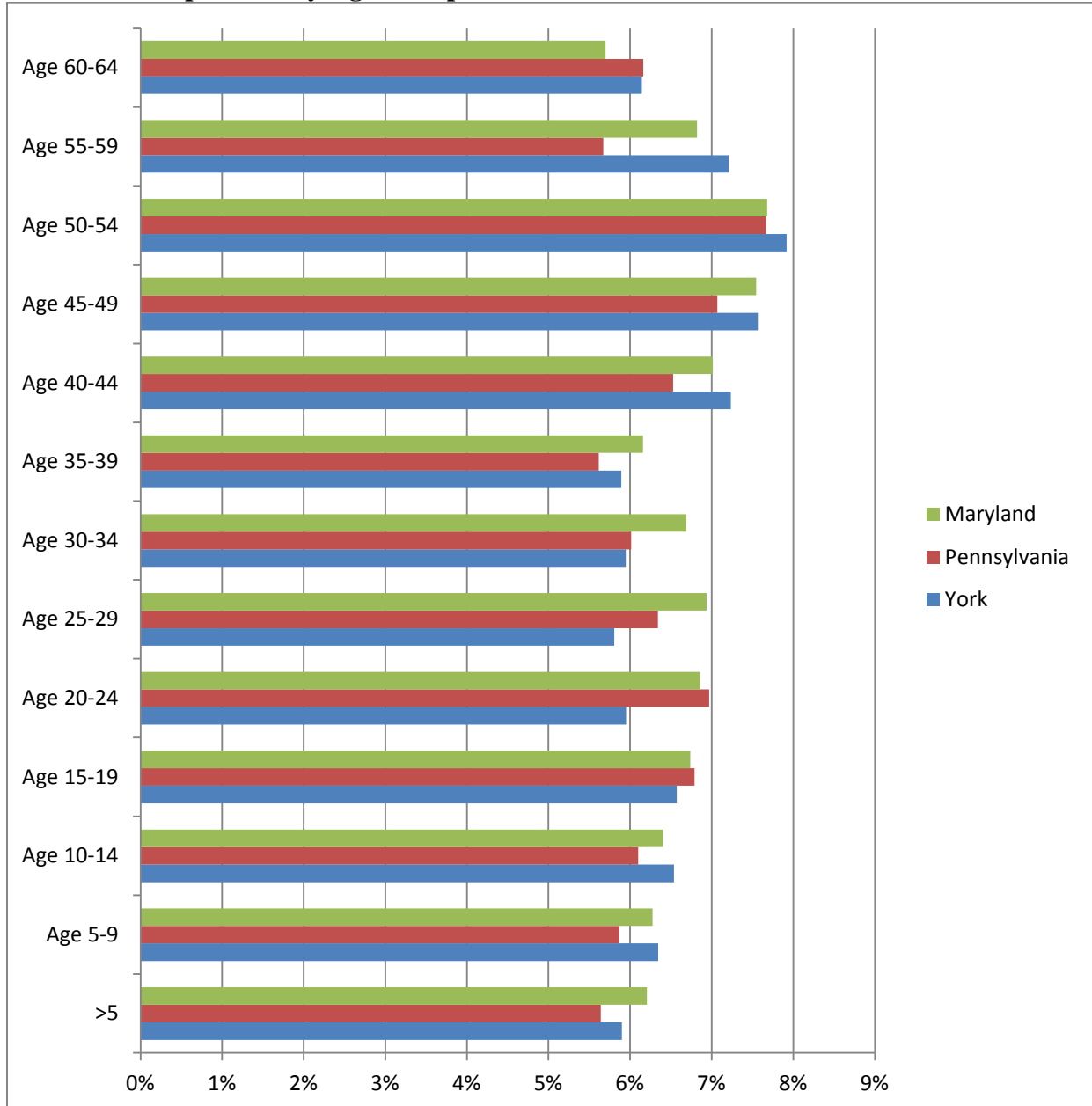
### 3.3 Age Levels

York County's age levels are similar to those in Pennsylvania and Maryland, all of which have many residents in the 35 to 55+ age groups (Exhibit 3-4).

- As demonstrated in Exhibit 3-4 York County's percentage of population in age groups 15-34 was slightly below Maryland and Pennsylvania in 2012, but above one or both states in the percentage of working ages 35-59.

- Over the next five (5) years, the proportion of residents in the 25-39 and 55 and over age brackets are expected to increase in both Pennsylvania and Maryland, while residents in the 40-54 bracket are expected to decrease (Exhibit 3-5).
- Generally speaking, Pennsylvania projections show a projected decrease in working age groups (18-64) through 2030 as workers reach retirement age, however through each projected cycle (2020, 2025 and 2030) the population of future workers (14-17) is anticipated to increase (Exhibit 3-5).

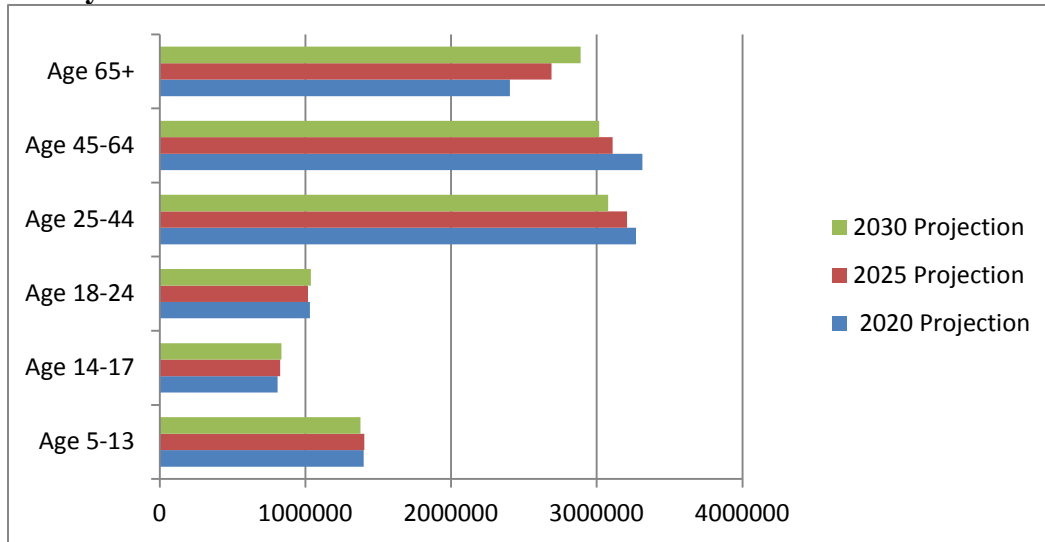
**Exhibit 3-4: Population by Age Group – 2012**



Source: U.S. Census Bureau Data

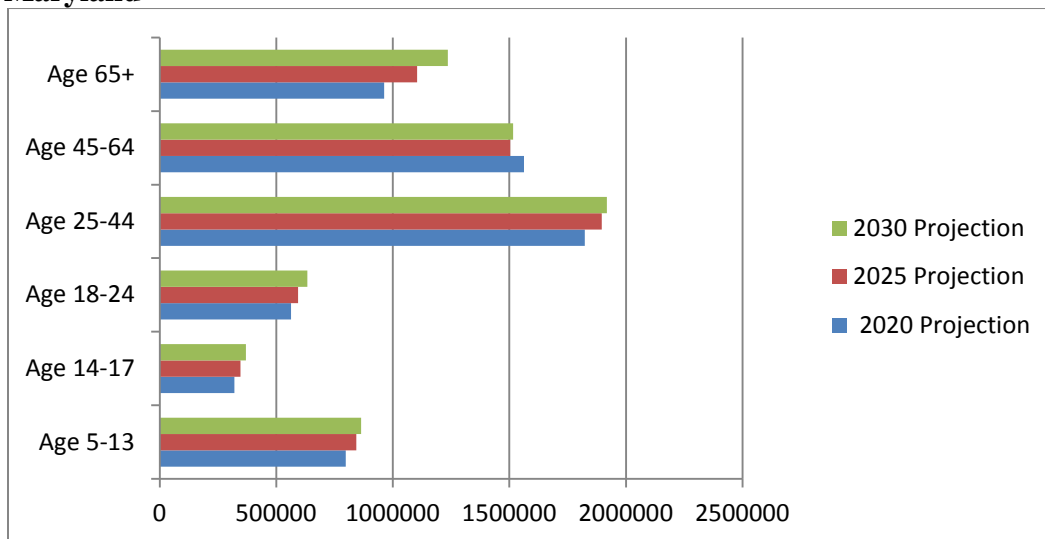
### Exhibit 3-5: Population Projection by Age Group – 2020, 2025 & 2030

#### Pennsylvania



Source: U.S. Census Bureau Data

#### Maryland



Source: U.S. Census Bureau Data

### 3.4 Income and Wages

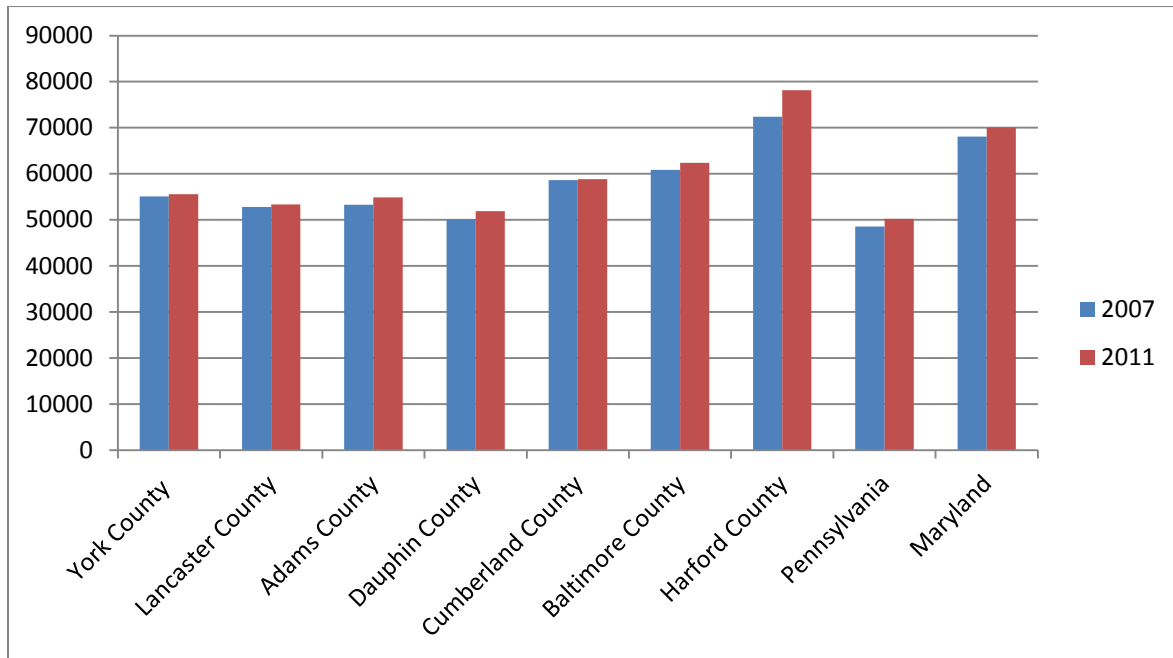
As shown in Exhibit 3-6, median income has increased in York County at a similar pace to surrounding counties over the past several years. Other notable observations are listed below.

- York County’s median income grew from \$55,120 in 2007 to \$55,551 in 2011, representing a compound annual growth rate of 1%, while median income in

Pennsylvania grew at a rate of 0.3% per year, from \$48,576 in 2007 to \$50,228 in 2011. York County’s 2011 median income (\$55,511) is in the middle of the pack compared to surrounding counties, and is higher than the Pennsylvania 2011 median income (\$50,228).

- For 2011, York County’s median income is lower than that of Maryland (\$70,004), Baltimore County (\$62,407), Cumberland County (\$58,824 ) and Harford County (\$78,123).

**Exhibit 3-6: Median Household Income, 2007 and 2011**



Source: U.S. Census Bureau Data

As shown in Exhibits 3-7 and 3-7a, wage levels have increased in York County at a similar pace to surrounding counties over the past several years. Other notable observations are listed below.

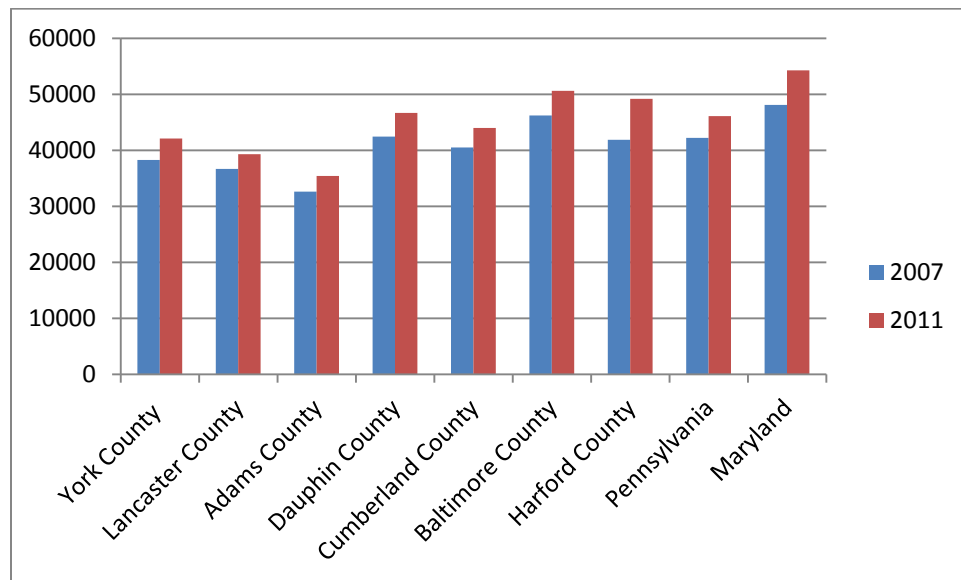
- A stronger pattern is observed when looking at growth of wage levels over the past three years. Wages paid by York County employers grew 3% per year from 2002-2012, the same annual growth rate as the State level (Exhibit 3-8).
- This wage growth was similar to the growth experienced in neighboring counties and in Maryland, where wages increased by 3 to 4% per year (Exhibit 3-8).

This income and wage data indicates that the County may offer an advantage with respect to labor costs compared to higher-cost communities to the south.

Exhibit 3-7: Average Wage Paid by Employers 2007-2011		
	2007	2011
York County	\$38,293	\$42,084
Lancaster County	\$36,672	\$39,313
Adams County	\$32,599	\$35,401
Dauphin County	\$42,449	\$46,655
Cumberland County	\$40,491	\$43,962
Baltimore County	\$46,207	\$50,631
Harford County	\$41,841	\$49,200
Pennsylvania	\$42,214	\$46,100
Maryland	\$48,113	\$54,281

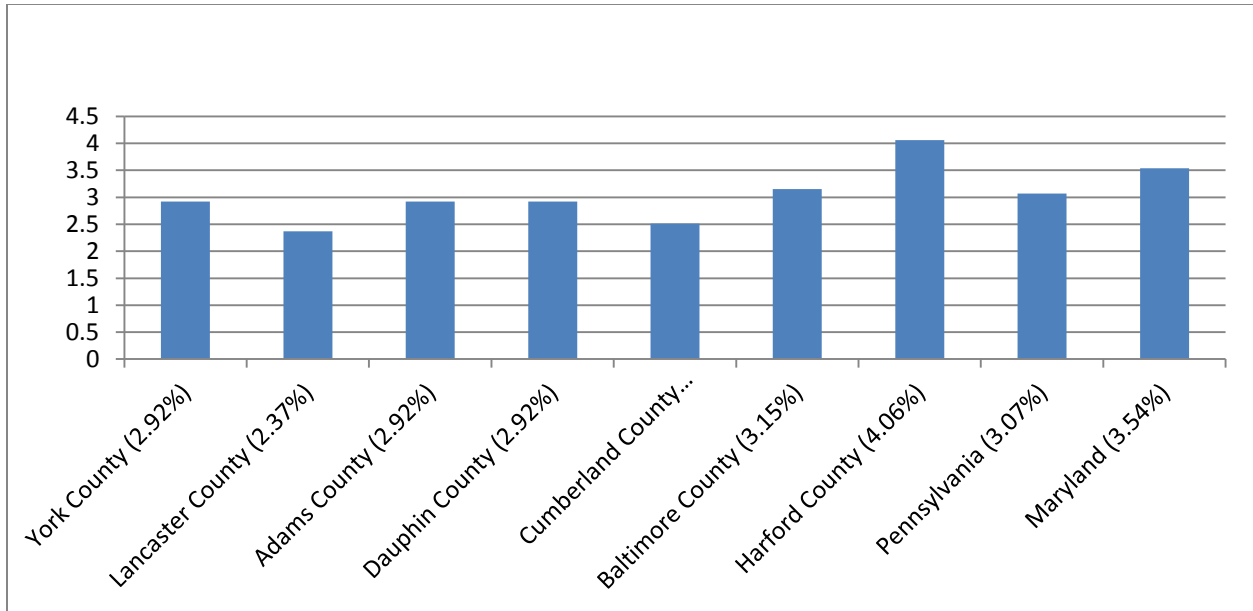
Source: Bureau of Economic Analysis, Average Wage per Job, 2007 and 2011

**Exhibit 3-7a: Average Wage Paid by Employers, 2007 - 2011**



Source: Bureau of Economic Analysis

### Exhibit 3-8: Average Annual Wage Growth, Between 2002 and 2012



Source: Bureau of Economic Analysis

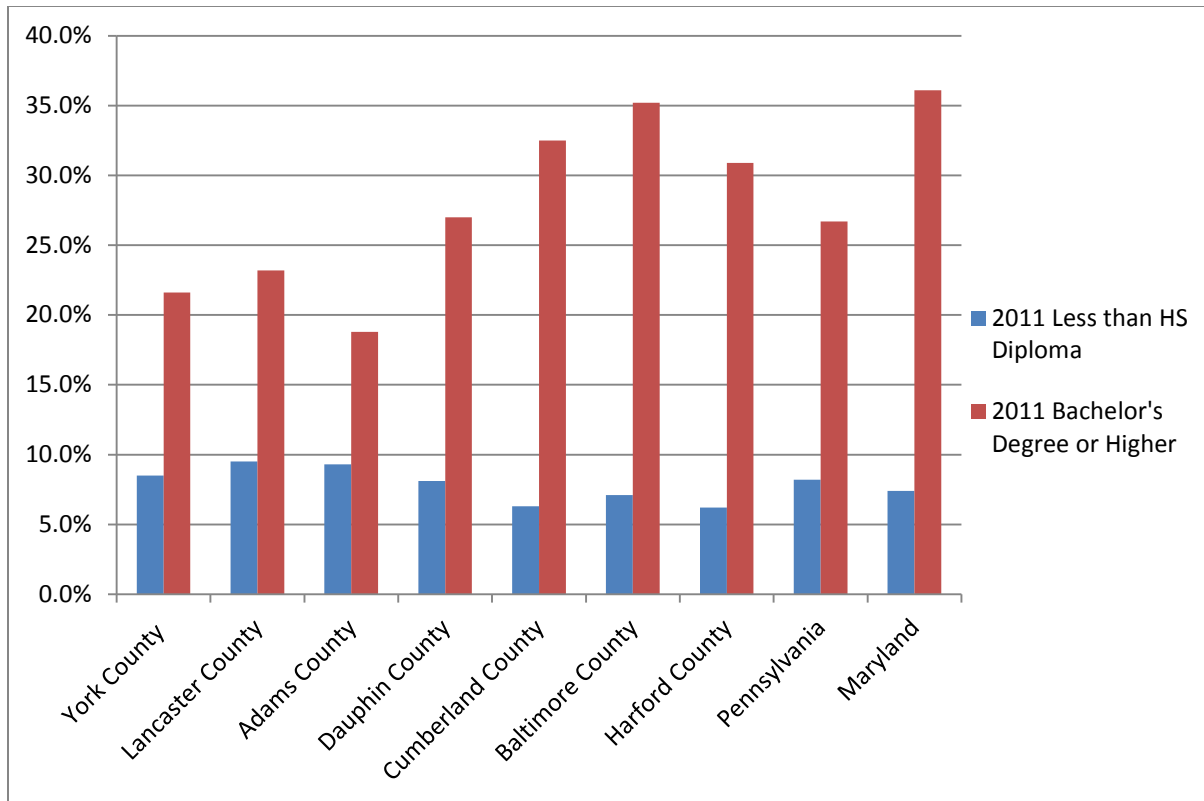
### 3.5 Education

As referenced in Exhibit 3-9 and Exhibit 3-10, there is a gap between York County's educational attainment levels (e.g. percentage of residents with a bachelor's degree) and those of some neighboring communities. York County also falls below the averages for Pennsylvania and Maryland.

- However, York County has been improving on the educational front over the past 11 years, as the percentage of residents with a bachelor's degree and percentage of residents with a graduate degree have each increased.
- Another positive trend is that a higher proportion of York County high school students are now graduating, and more students are going on to earn associate's degrees after high school. The amount of students with less than a high school diploma has decreased at both the County and the State levels.

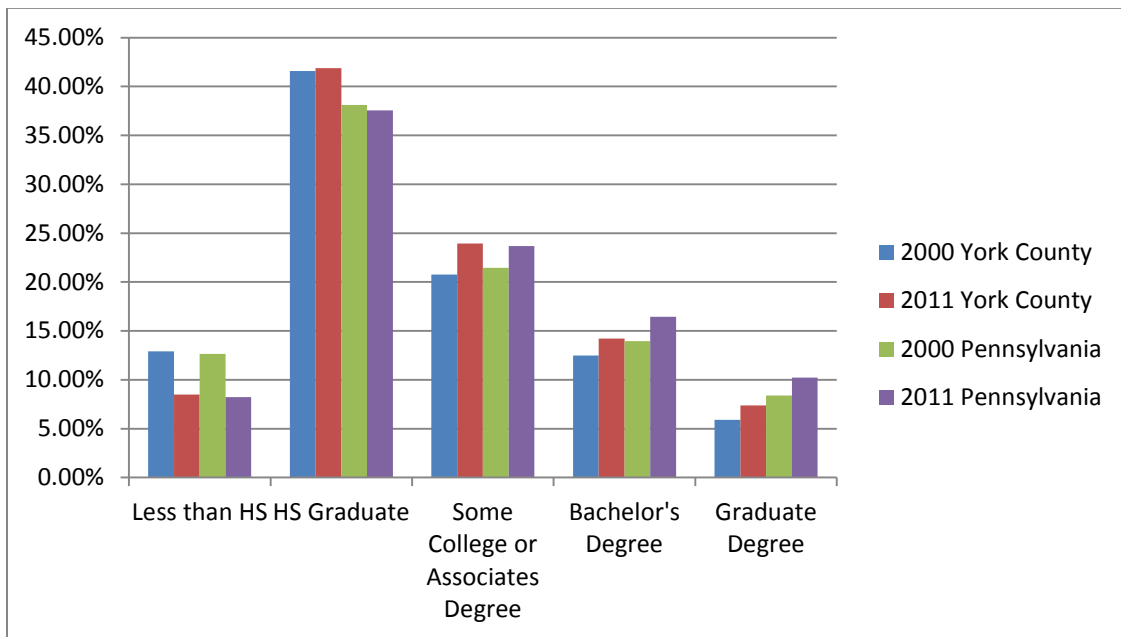


**Exhibit 3-9: Educational Attainment, 2011**



Source: U.S. Census Bureau Data

**Exhibit 3-10: Educational Attainment, 2000-2011**



Source: Policy Map

Performance of York County students in science and math education is an important consideration when evaluating the readiness of the workforce for employment in emerging industries over the next ten (10) years. As shown in Exhibit 3-11, York County students score above the State average.

The Pennsylvania System of School Assessment, also known as PSSA, measures how well students have achieved in reading, mathematics, science and writing according to Pennsylvania's world-class academic standards. By using these standards, educators, parents and administrators can evaluate their students' strengths and weaknesses to increase students' achievement scores.

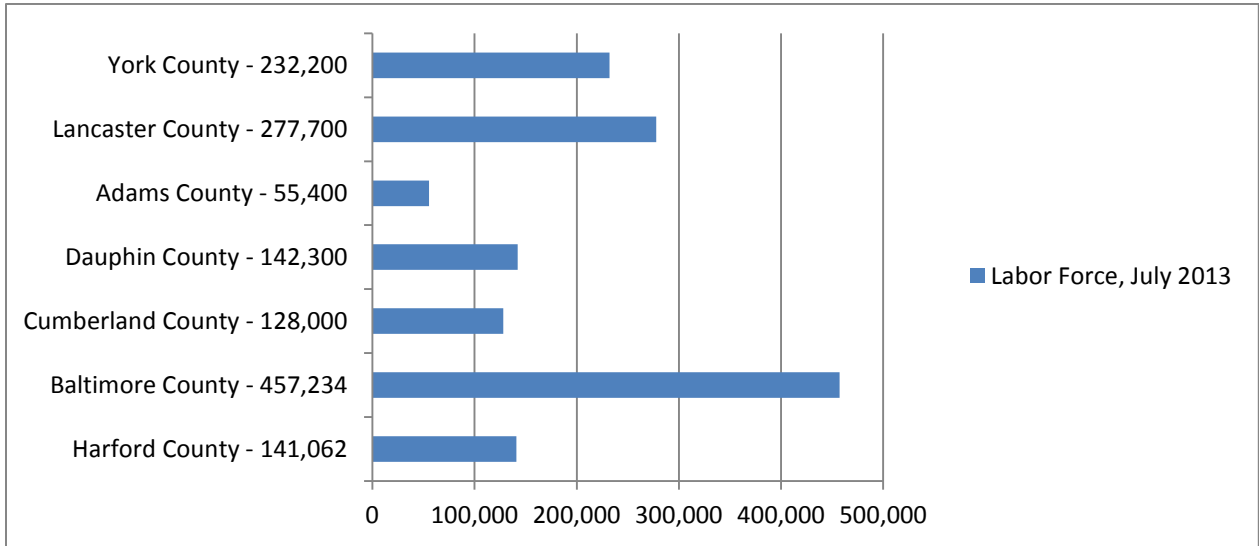
<b>Exhibit 3-11: York County PSSA Scores 2011-2012 School Year</b>					
<b>School District</b>	<b>Science – Percent Proficient</b>		<b>Math – Percent Proficient</b>		
	<b>4<sup>th</sup> Graders</b>	<b>11<sup>th</sup> Graders</b>	<b>All Students</b>	<b>4<sup>th</sup> Graders</b>	<b>11<sup>th</sup> Graders</b>
<b>Central York</b>	84	43	86	90	65
<b>Dallastown Area</b>	89	58	83	90	70
<b>Dover Area</b>	85	36	74	84	52
<b>Eastern York</b>	89	41	82	88	70
<b>Hanover Public</b>	76	30	69	79	55
<b>Northeastern</b>	86	42	83	88	63
<b>Northern York</b>	94	45	81	92	60
<b>Red Lion Area</b>	88	41	83	90	75
<b>South Eastern</b>	96	48	84	95	67
<b>South Western</b>	90	44	83	86	63
<b>Southern York</b>	91	51	85	89	69
<b>Spring Grove</b>	94	45	81	91	69
<b>West Shore</b>	86	45	74	82	61
<b>West York Area</b>	89	38	79	86	61
<b>York City</b>	67	9	52	66	32
<b>York Suburban</b>	97	58	90	98	73
<b>County Average</b>	88	42	79	87	63
<b>State Average</b>	82	42	74	82	59

Source: Pennsylvania Department of Education

### [3.6 Labor Force and Employment](#)

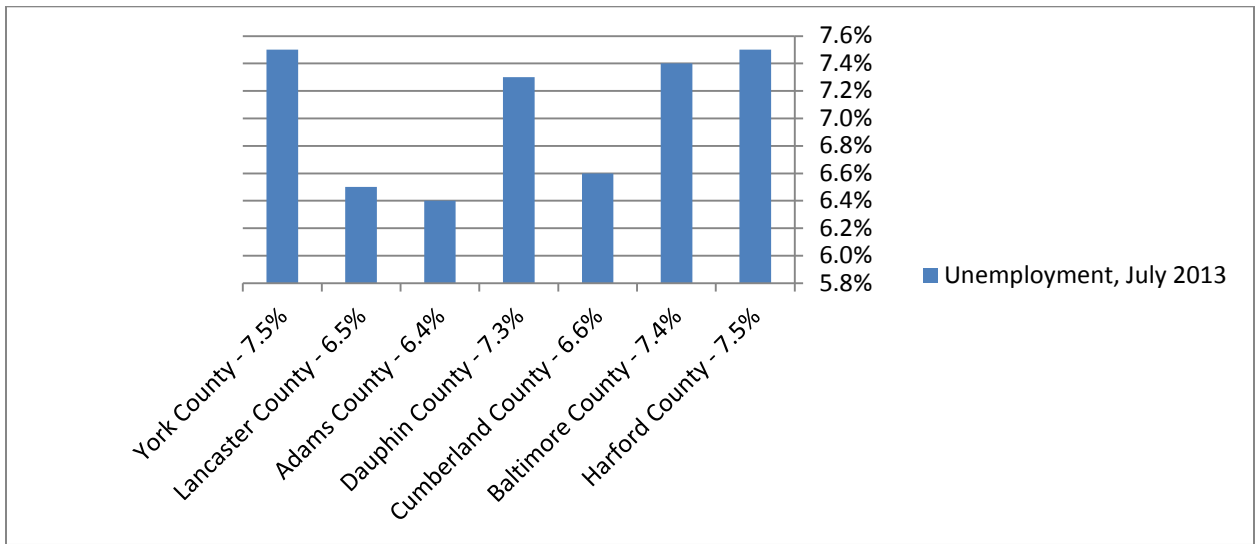
Community stakeholders have commended York County's labor force for its strong work ethic. As shown in Exhibit 3-12, the labor force comprises 232,200 civilian workers, making it comparable in size to neighboring Lancaster County (277,700 civilian workers) and larger than neighboring Adams (55,400), Dauphin (142,300), Cumberland (128,000) and Harford (141,062) Counties. In Exhibit 3-13, the County's unemployment rate, at 7.5% as of July 2013, was similar to the unemployment rate of surrounding counties and of Pennsylvania (7.5%) and lower than that of the nation (8.1%).

**Exhibit 3-12: Labor Force, July 2013**



Source: Pennsylvania Department of Labor & Industry and the Maryland Department of Labor, licensing and Regulation

**Exhibit 3-13: Unemployment Rates, July 2013**



Source: Pennsylvania Department of Labor & Industry and the Maryland Department of Labor, licensing and Regulation

Since 2006, York County has shown growth in a number of employment industry sectors. The health care industry sector has increased by 10%, building and construction sector by 5%, business and financial services sector by 8%, and the education industry sector has increased by 7%.

As shown in Exhibit 3-14, in 2009 the County’s largest industry sectors, in terms of employment, were advanced materials/diversified manufacturing (16% of all jobs), building and construction (14%), health care (18%), and education (15%).

<b>Exhibit 3-14: York County Percentage of Employment by Industry, 2009</b>	
Ag & Food Production	7%
Advanced Materials	16%
Bio-Medical	1%
Health Care	18%
Building & Construction	14%
Business & Financial Services	13%
Education	15%
Energy	3%
Information & Communication	4%
Logistics & Transportation	5%
Lumber, Wood & Paper	4%

*Source: York County Economic Alliance Industry Cluster Analysis – 2009*

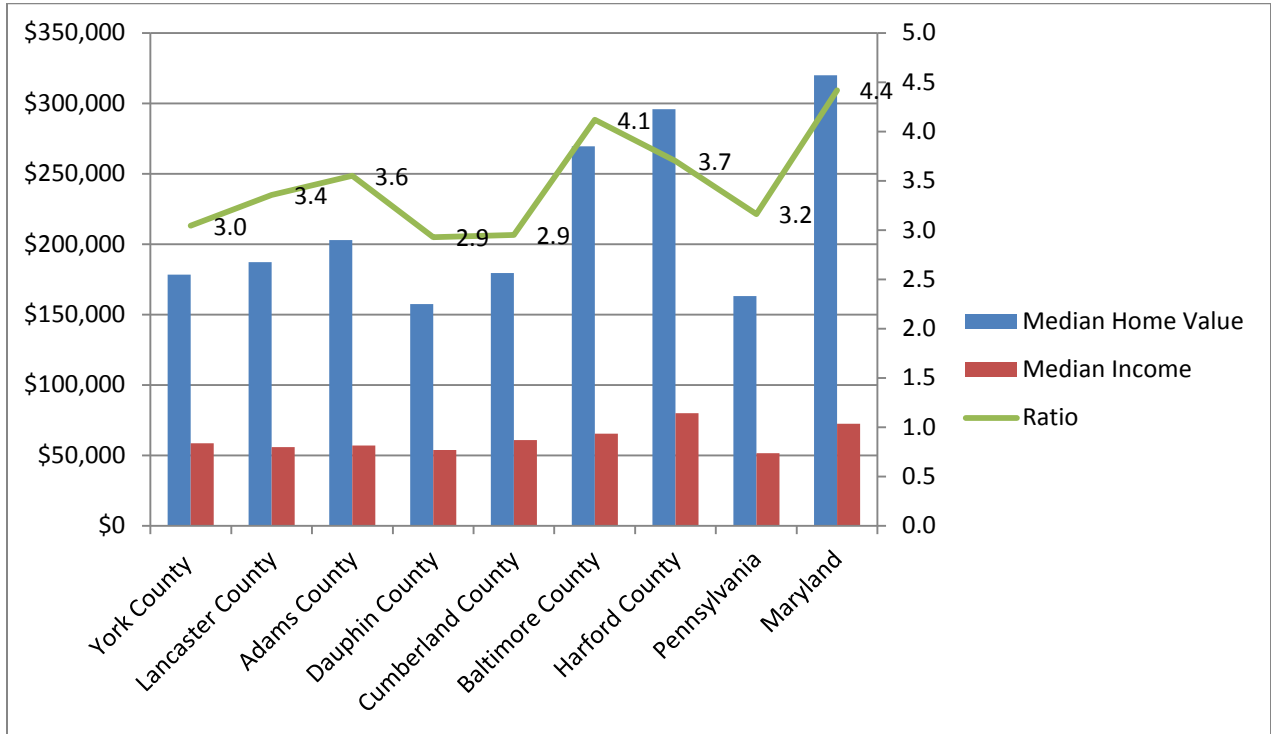
### [3.7 Housing and Housing Affordability](#)

Housing, both in terms of diversity of choice and affordability, is one aspect of quality of life that can help to attract and retain a skilled labor force as shown in Exhibit 3-15.

- A broad array of housing choices are offered in the County, from historic downtown lofts in the City of York, to secluded wooded properties and single-family homes in suburban areas surrounding the City, to rural farms and small historic towns in the southern and northern parts of the County.
- Beyond housing, the County offers a broad mix of educational, cultural, artistic and recreational facilities and amenities that are key ingredients to high quality of life.
- The median home value in 2008 was \$190,000 and in 2011 was \$178,400. This is a result of the national “housing crisis” and represents a 6.2% drop in value.
- York County’s median home value in 2011, at \$178,400, is roughly 3.0 times higher than median income in the County. In 2011, York County’s housing stock was much more affordable than housing in areas to the south. The median home value in Maryland was nearly 4.4 times the annual income; in Baltimore County, the median home value was 4.1 times higher than income; and in Harford County, the ratio was 3.7. This ratio is similar

to the national average ratio, in which the average home price from 1950 to 2000 was three (3) times higher than annual income.

**Exhibit 3-15: Median Home Values and Ratio of Home Value to Income, 2011**

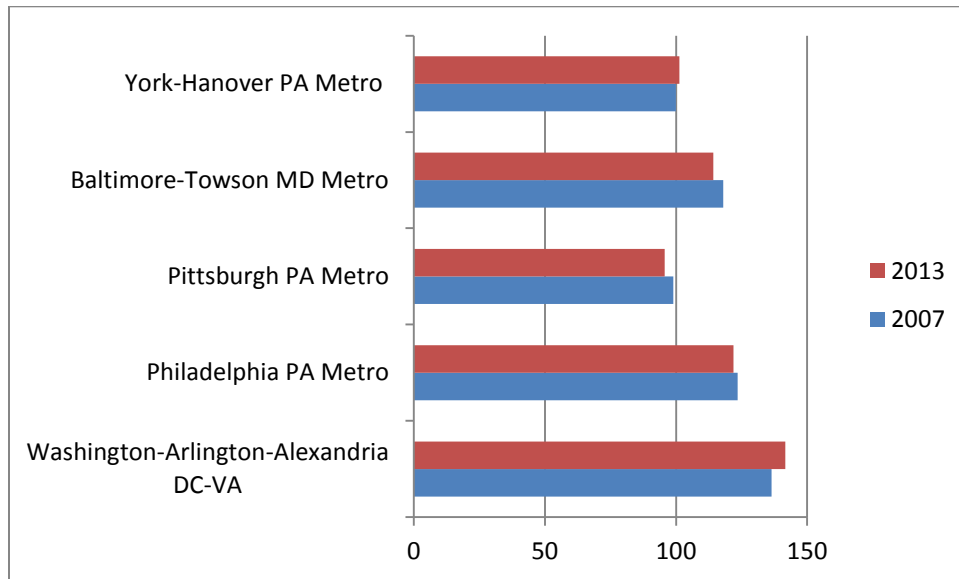


Source: U.S. Census Bureau

### 3.8 Cost of Living

Overall, the cost of living in York County in 2013 was more affordable than in surrounding regions. As depicted in Exhibit 3-16, the York-Hanover metropolitan area scored a 101.2 (100 is the national average) on the ACCRA (American Chamber of Commerce Research Association) cost of living index, lower than the Baltimore region (114.2), the Philadelphia region (121.9), and the Washington, DC region (141.7). Since 2007, the cost of living index scores for York County increased by 1.3%.

**Exhibit 3-16: ACCRA (American Chamber of Commerce Research Association) Cost of Living Index, Fourth Quarter 2007 vs First Quarter 2013**



Source: ACCRA Cost of Living Index – First Quarter 2013

**3.9 Summary**

Based on a review of York County’s current economic conditions, a number of strengths, constraints, and opportunities are evident. The issues raised by the constraints are further explored in Chapter VI through the Critical Issues Assessment, which also considers issues related to industries, the real estate market and available/suitable land for development (explored in Chapters IV and V, respectively). This evaluation of existing conditions focuses on factors known to influence industry growth potential, and is an important first step in order to project future market demand for economic activities.